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ABSTRACT

Directors of 505 local workforce investment boards (WIBs) nationwide were surveyed to understand implementation status, linkages with education, and factors affecting implementation of the Workforce Investment Act (WIA) of 1998. Findings indicated nearly all local WIBs established a youth council and a network of youth service providers; local boards found it challenging to get parents and youth to participate on youth councils; a number of local areas found it difficult to identify and select youth service providers through the competitive selection process because low numbers of providers responded to requests for proposals; educators participated on youth councils and delivered services but remained tentative partners; two factors facilitated implementation--experience in collaborative efforts among youth-serving agencies and placing priority on youth development; and legislative requirements (such as documenting income eligibility, meeting spending requirement for out-of-school youth, measuring performance indicators and setting performance goals, and meeting partnering requirements) impeded implementation progress or adversely affected service delivery. Appendixes include a comparison of key youth provisions under WIA and the Job Training Partnership Act and Department of Labor comments. (Contains 28 footnotes.) (YLB)

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Report to Congressional Requesters

April 2002

WORKFORCE INVESTMENT ACT

Youth Provisions Promote New Service Strategies, but Additional Guidance Would Enhance Program Development

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Abbreviations

DOL	Department of Labor
JTPA	Job Training Partnership Act
RFP	request for proposal
STW	School-to-Work
TANF	Temporary Assistance for Needy Families
WIA	Workforce Investment Act

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United States General Accounting Office
Washington, DC 20548

April 5, 2002

The Honorable Edward M. Kennedy
Chairman, Committee on Health, Education
Labor, and Pensions
United States Senate

The Honorable James M. Jeffords
United States Senate

The Workforce Investment Act (WIA) of 1998[1] provides states and local areas an unprecedented opportunity to substantially change the way youth workforce development services are configured and delivered. Historically, programs designed to assist at-risk youth to attain employment and self-sufficiency were a patchwork of short-term, stand alone services delivered by a loosely coordinated network of providers, often resulting in redundancies and inefficiencies. WIA aims to broaden the job training and placement focus of its predecessor, the Job Training Partnership Act (JTPA), by requiring states and localities to create a more comprehensive workforce investment system that addresses youth's many development needs. In addition, WIA requires states and localities to streamline the delivery of at least 17 federally funded employment and training services—most of which may include some youth services[2]—that are administered by the Departments of Labor, Education, and other agencies through one-stop centers, physical sites that serve as gateways to information and services found in communities.[3] Through its holistic approach to serving at-risk youth, WIA, its implementing regulations, and Department of Labor (DOL) guidance call for a comprehensive youth

[1]P.L. 105-220.

[2]Although most of these services are not targeted toward youth in particular, youth may be receiving some services to the extent that they are included in the target population of individuals served by the federal employment and training programs.

[3]For more information on WIA implementation, see our prior report, U.S. General Accounting Office, *Workforce Investment Act: Better Guidance Needed to Address Concerns Over New Requirements*, GAO-02-72 (Washington, D.C.: Oct. 4, 2001).

development system[4] that is linked more closely to local labor market needs and community youth activities, emphasizes comprehensive service strategies to engage youth year-round, and requires parents, program participants, and other members of the community with experience in youth services to provide input on youth programs. To ensure youth programs are tailored to the needs of youth and the community, WIA promotes partnerships among diverse programs and community representatives, in part, through their participation on newly created state and local workforce investment boards and youth councils. The law requires youth councils to plan and coordinate youth programs as well as recommend and oversee youth service providers. The law also requires youth councils to establish linkages with educational agencies for providing services to young participants.

To more fully assess how youth workforce investment activities are being carried out, you asked us to (1) determine the implementation status of WIA's youth provisions including establishing youth councils and a network of service providers; (2) recognizing that strong relationships between youth development and education systems are a crucial component of a comprehensive youth service strategy you also asked us to examine how youth councils have established linkages with the education community; and, (3) determine the factors that affected the implementation of a new youth development system and their implications for service delivery.

To gather information to respond to these questions, we surveyed directors of each local workforce investment board nationwide[5]—611 in all—and received responses from 505 (83 percent) of them. We reviewed local board directors' questionnaire responses for consistency and in many cases contacted them or their staff to resolve inconsistencies, but we did

[4]Youth development emphasizes meeting a young person's needs and building competencies for adulthood. In general, a youth development approach focuses on a young person's strengths, communicates high expectations, provides leadership opportunities, encourages a sense of personal identity, broadens a young person's perspective, provides safe surroundings, and connects youth with caring adults. Follow-up over time is a crucial youth development principle to support and guide youth through the challenges of entering and succeeding in employment. John J. Heldrich Center for Workforce Development, *Recipes for Success, Youth Council Guide for Creating a Youth Development System Under WIA*, prepared for the Department of Labor, May 2000, and Department of Labor, *Training and Employment Guidance Letter No. 9-00* (Washington, D.C., 2001).

[5]We administered the survey to local workforce investment board directors in the 50 United States, the District of Columbia, and U.S. territories.

not otherwise verify the information provided in the questionnaire responses. To further understand implementation status, linkages with education, and factors affecting implementation, we visited 9 local workforce investment areas in five states: California, Florida, New Jersey, Wisconsin, and Wyoming.[6] We selected these states on the basis of a variety of state-specific factors such as geographic location. With the exception of Wyoming, we also selected states because of relatively high numbers of workforce investment areas and disadvantaged youth, relatively high levels of WIA youth funding and state per pupil education expenditures,[7] and, in most cases, early WIA implementation and the presence of state legislation regarding school-based career programs. We chose local sites in each state on the basis of the state workforce officials' recommendation of one urban and one rural area that had either demonstrated promising practices or was further along in implementation than other areas. We interviewed officials representing local boards, youth councils, one-stop centers, youth service providers, and education agencies. We also interviewed state workforce investment and education officials in each of the five states. In addition, we conducted telephone interviews with officials from 20 state workforce investment boards or agencies. We selected states to interview that represented variations in the same factors that we used to select states for site visits. We also interviewed officials from the DOL and national associations. Our work was conducted between February 2001 and February 2002 in accordance with generally accepted government auditing standards.

Results in Brief

Nearly all of the local workforce investment boards nationwide established a youth council and a network of youth service providers—but not without challenges. Nationally, a majority of youth councils included the required members and nearly all councils were active by July 1, 2000, when the first program year under WIA took effect. Local boards also competitively selected youth service providers and developed strategies for connecting youth to the one-stop centers. Most boards reported that youth received WIA services directly through contracted service providers

[6]Wyoming is a single workforce investment area state; thus, we visited the state workforce investment board that also served as the local board.

[7]Education expenditures are those for the day-to-day operation of schools and include expenditures for instruction, support services, and noninstruction. They exclude expenditures associated with repaying debt, capital outlays, programs outside the scope of preschool to grade 12, and items lasting more than 1 year.

rather than through the one-stop centers. For example, a program offered at one provider's facility in rural Wisconsin combined academic learning and work experience by having out-of-school youth build or refurbish low-income housing while preparing for their high school equivalency credential. However, local boards found it challenging to get parents and youth to participate on youth councils. Also, a number of local areas found it difficult to identify and select youth service providers through the competitive selection process because of low numbers of providers responding to requests for proposals. Finally, getting youth to visit the typically adult-focused one-stop centers was often a demanding task. Many local boards exercised the flexibility allowed under WIA by expanding the youth council to include representatives from private industry, establishing youth-only one-stop centers that were electronically linked with providers and other one-stops, and leveraging additional non-WIA resources to expand their youth service capacity.

Youth councils established linkages with the education community by including local school districts and existing school-based career program representatives in their membership or as youth service providers Nationwide, representatives from school districts or school-based career programs were among the most frequently represented members on youth councils, even though not required under WIA. In some local areas we visited in California and Florida, the existing school-based career program formed the foundation for the new WIA youth council. Moreover, secondary and postsecondary schools were contracted to deliver youth services such as mentoring and occupational skills training. Educators were also connected to the one-stop centers by bringing high school students into the centers for job fairs or by having center staff administer youth skills assessments at schools. In some communities, however, the education and workforce investment systems lacked a shared vision for youth development. In particular, some educators were hesitant to broaden their role in youth development beyond traditional academics and saw few financial incentives to partner with the youth council.

Two factors facilitated the building of a new youth development system at the state and local level and improved coordination and delivery of services—having experience in collaborative efforts among various public and private youth-serving agencies and placing priority on youth development. However, we found three legislative requirements that impeded implementation progress or adversely affected service delivery. First, eligibility documentation requirements may have excluded eligible at-risk youth from WIA services, in part because documentation to verify eligibility was difficult to obtain and verification was resource-intensive

for staff and service providers. A second challenge was to recruit and retain sufficient numbers of out-of-school youth to meet the requirement that 30 percent of local WIA youth funds be spent on these youth. Third, ambiguous definitions and lags in data availability complicated the measurement and reporting of some WIA youth performance indicators and resulted in inconsistencies in reporting and comparing outcomes within and across states.

To support the development of a youth workforce investment system, we are recommending that DOL provide guidance and assistance to address specific concerns identified by state and local implementers. We are also recommending that DOL clarify the definition of the skill attainment performance indicator for younger youth (14-18 years of age). In its written comments, DOL concurred with our findings and recommendations.

Background

WIA repealed, after 16 years, the Job Training Partnership Act, and in doing so, introduced various reforms to the coordination and delivery of federally funded employment and training services. Program year 2000 was the first year in which states and localities operated programs under WIA.[8] WIA's reforms affected youth as well as adult and dislocated worker services.[9] Among the most significant changes to youth services was the consolidation of JTPA's two separately funded youth programs—the Title II-B Summer Employment and Training Program and the Title II-C year-round training program—into a single year-round program under Title I-B of WIA with a fiscal year 2001 funding level of $1.4 billion. DOL estimated 721,000 youth participants would be served in program year 2001. JTPA's summer employment program, with a 1999 funding level of $870 million, was significantly larger than the JTPA year-round program funded at $130 million. As a result of consolidating JTPA's two youth programs, summer employment became one of the many youth services under WIA.

[8]DOL's *Training and Employment Guidance Letter No. 3-99*, dated January 31, 2000, states that JTPA funds became WIA funds on July 1, 2000 when JTPA was officially repealed. WIA program year 2000 began on July 1, 2000, and ended on June 30, 2001.

[9]Issues concerning dislocated workers are discussed in a prior report, U.S. General Accounting Office, *Workforce Investment Act: Better Guidance and Revised Funding Formula Would Enhance Dislocated Worker Program*, GAO-02-274 (Washington, D.C.: Feb. 11, 2002).

Youth services under WIA are intended to be more comprehensive and longer-term than under JTPA, while offering local areas the flexibility to tailor services to meet the needs of individual youth. While both JTPA and WIA required that youth receive appropriate services based on an assessment of their service needs, WIA mandated that 10 youth services, referred to as program elements, be made available to all eligible youth. (See table 1.) Under JTPA, several of these program elements were either optional or not present. For example, leadership development and the 12 months of follow-up services upon program completion are new under WIA.

Table 1: Comparison of Youth Services under WIA and JTPA

Youth Services	
WIA	**JTPA**
• Required: assessment, individual service strategy, preparation for postsecondary education or employment, strong linkages between academic and occupational learning, preparation for unsubsidized employment, connections to intermediaries with links to local labor market, information, and referral. • All 10 program elements must be made available to youth: (1) tutoring, study skills training, instruction leading to completion of secondary school, including dropout -prevention strategies (2) alternative secondary school services, (3) summer employment linked to academic and occupational learning, (4) paid and unpaid work experience including internships and job shadowing, (5) occupational skills training, (6) leadership development which may include community service and peer-centered activities encouraging responsibility, (7) supportive services, (8) adult mentoring during program participation and at least 12 months subsequently, (9) at least a 12-month follow-up upon program completion, and (10) guidance and counseling including drug and alcohol abuse counseling and referral.	*Year-round services* • Required: assessment, individual service strategy, training in basic, occupational, and work maturity skills, work experience, and supportive services, information, and referral. • Optional program elements include: (1) tutoring, (2) alternative high school, (3) instruction leading to high school completion or equivalent, (4) mentoring, (5) limited internships, (6) training or education combined with community and youth service, (7) entry employment experience, (8) school-to-work services, (9) school-to-postsecondary education services, (10) school-to-apprenticeship services, (11) counseling and referral, (12) services encouraging parental and other significant adult involvement, and (13) cash incentives and bonuses based on program attendance and performance. *Summer services* • Required services include: assessment, individual service strategy, basic and remedial education, work experience, occupational training, job referral and placement, supportive services, follow-up services as appropriate.

Source: Workforce Investment Act and Job Training Partnership Act.

In addition to merging JTPA's summer and year-round programs, WIA targets services to a youth population that is potentially lower income than that targeted under JTPA. While both programs included the same income eligibility ceiling, JTPA also granted eligibility to youth who participated in the free- and reduced-price school lunch program, which had a higher income eligibility ceiling than that under WIA. JTPA also allowed a greater percentage of non-low-income youth than WIA, 10 percent compared to 5 percent. Furthermore, by requiring that 30 percent of WIA youth funds be spent on out-of-school youth, WIA targets young people who are no longer attending any school, including an alternative school. While JTPA's year-round program also required serving some out-of-school youth, the

summer employment program did not. For more information on how WIA and JTPA differ in their key youth provisions, see appendix I.

The WIA youth appropriation consists of formula funds, which states receive and allocate to their local workforce investment areas, and Youth Opportunity Grants,[10] which DOL awards to local areas on a competitive basis. States are required to allot at least 85 percent of the youth formula funds to local areas based on criteria that include the number of disadvantaged youth in each local area compared to the total number of disadvantaged youth in the state. In addition, states shall set aside up to 15 percent of the youth funds for statewide youth activities, which include disseminating a list of eligible youth service providers. WIA permits states to combine the set-aside from the youth allotment with similar set-asides from their adult and dislocated worker allotments. However, local boards are prohibited from transferring formula funds from the WIA adult and dislocated worker programs to the youth program or vice versa.

In addition, new under WIA is the requirement that youth services be made available through the one-stop system. One-stop centers can serve as the entry point for all youth in the local area, providing universal access to information and services. These centers are gateways to services for WIA-eligible youth as well as services funded for non-eligible youth who may also receive services at one-stop centers such as job searches, career exploration, use of career center resources, and information on and referrals to other youth providers.

WIA also strengthens accountability by establishing younger and older youth[11] performance indicators for all youth receiving WIA services, including those receiving summer employment services, and by establishing customer satisfaction indicators for participants and employers. In contrast, JTPA did not establish any performance indicators for the summer employment and training program. States must negotiate and reach agreement on their expected levels of performance with the Secretary of Labor. Similarly, local areas must negotiate and reach

[10]For each fiscal year in which the appropriation for youth activities exceeds $1 billion, up to $250 million can be used for Youth Opportunity Grants. These grants are awarded to qualifying communities to establish youth opportunity centers where youth living in high-poverty neighborhoods can access a wide range of services. In program year 2000, DOL awarded grants to 36 service areas located in urban, rural, and Native American sites.

[11]Younger youth are between the ages of 14–18 and older youth are between the ages of 19–21.

agreement with the governor on local levels of performance. Furthermore, WIA holds states accountable for achieving their performance levels by linking them with financial incentives or sanctions.

Lastly, WIA youth activities are coordinated through newly created state and local workforce investment boards.[12] The state board is established by the governor to carry out statewide youth activities and to develop the state strategic plan. The 5-year plan must describe the state's strategy for providing comprehensive services to eligible youth, identify criteria local boards use to award grants and select providers, and describe coordination with other youth programs. The majority of state board members, including the board chair, must come from private business. The governor also certifies local boards to, among other duties, develop the local plan and select one-stop operators and youth service providers. Like state boards, the majority of local board members and the chair must come from private business. Among WIA's most significant reforms is the requirement that local boards establish a youth council [13] as a subgroup of the board, to coordinate and oversee the local WIA youth program (see table 2). While the youth council's membership must reflect a broad cross-section of community representatives, youth councils do not require membership from educational entities.

[12]The governor of any state that was a single-service delivery area under JTPA as of July 1, 1998, may designate the state as a single local workforce investment area state. In such cases, the state and local workforce investment boards are the same entity. Single workforce investment areas are the states of Delaware, North Dakota, New Hampshire, South Dakota, Utah, Vermont, Wyoming, and the District of Columbia.

[13]Under certain circumstances, WIA authorizes the designation of an alternate entity that performs the functions of a local board or youth council.

Table 2: Youth Council Membership and Responsibilities

Required membership	Responsibilities
• Representatives of the local board with special interest or expertise in youth policy. • Youth service agencies including juvenile justice and law enforcement. • Public housing authorities. • Parents of eligible youth. • Former participants and representatives of organizations with experience in youth activities. • Job Corps as appropriate.* • Others as deemed by the local board chair.	• Coordinate youth activities in the local area. • Develop portions of the local five-year plan related to eligible youth. • Recommend eligible youth service providers to the local board for its approval. • Oversee eligible providers. • Carry out other duties authorized by the local board chair such as establishing linkages with educational agencies and other youth entities.

*Job Corps is a residential program that provides job training and job-readiness skills to disadvantaged at-risk youth, ages 16-24. Not all local workforce investment areas have a Job Corps program.

Source: Workforce Investment Act..

While not a mandatory member of workforce investment boards and youth councils, state and local school-based career programs, including School-to-Work[14] (STW) programs, complement the youth development system envisioned under WIA by linking education with workforce and by engaging a broad range of community representatives in designing and implementing a comprehensive, integrated system of education and workforce preparation that reflects local labor market needs. Like WIA, STW promotes classroom teaching that is more closely linked with the workplace to help both in-school and out-of-school young people prepare for postsecondary education, advanced training, and careers. Three components form the core of STW programs: school-based learning, work-based learning, and connecting activities. First, school-based learning refers to instruction and curricula that integrate academic and vocational learning. Second, work-based learning includes job training and work experiences that coordinate with classroom learning, workplace

[14]Under the School-to-Work Opportunities Act of 1994 (P.L. 103-239), STW implementation grants were awarded to all states to fund state and local public-private partnerships among schools, businesses, labor organizations, community-based organizations, parents, and students. The National School-to-Work Office was jointly administered by the Departments of Labor and Education until the program's termination in October 2001. In response, some states enacted their own STW legislation or policies while others realigned resources to support local STW partnerships. Under WIA, however, states cannot use WIA youth funds to finance STW activities unless the STW participant is also a WIA-eligible youth.

mentoring, and instruction in general workplace competencies as well as all aspects of an industry, leading to the awarding of a skill certificate. Third, connecting activities refer to the range of activities to integrate school and work and include matching students with employers and mentors, linking participants with community services, providing technical assistance to schools and employers, and connecting youth development strategies with employers' strategies for upgrading workers' skills.

As the entity responsible for implementing WIA, DOL has issued guidance and provided assistance on various technical aspects of WIA's implementation. For example, through its *Training and Employment Guidance* letters, DOL has provided guidance to state and local boards on a number of topics, including how to integrate the summer and year-round youth programs, provide comprehensive youth services, and identify sources of funding for youth services. In addition, DOL has sponsored national and regional conferences that serve as a forum to educate local boards and youth councils on implementing WIA's youth provisions and to share information on promising practices. In emphasizing state and local flexibility, DOL guidance has been very broad, and the establishment of specific policies has been delegated to states and local areas.

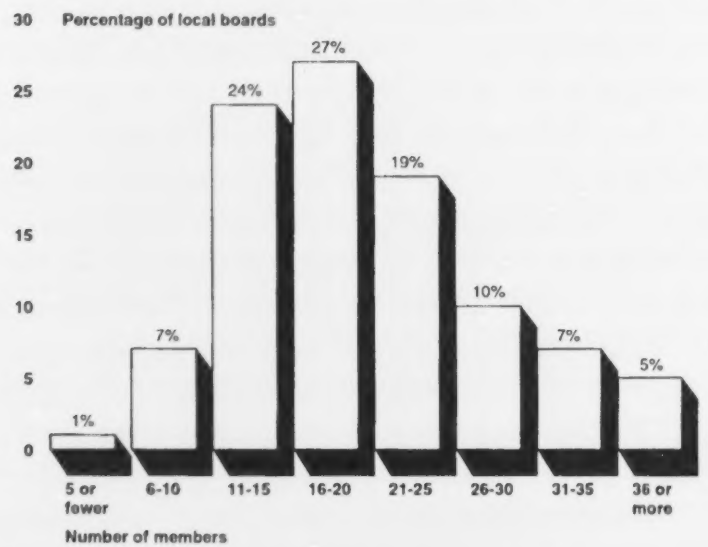
WIA's Youth Provisions Implemented but Not without Some Challenges

With few exceptions, local workforce investment boards implemented WIA's required youth provisions by establishing youth councils and a network of youth service providers, despite some implementation challenges. We found that nearly all of the youth councils were active by the start of program year 2000—the first WIA program year—and a majority of councils included the WIA-required members. However, a number of the local boards reported difficulty in recruiting youth and parents to serve on the council. To establish a network of youth service providers, youth councils recommended service providers to their local boards through the competitive selection process and developed strategies for connecting youth to the one-stop service delivery system, although officials in some local areas we visited described difficulties in doing so. Most local boards reported that their contracted youth service providers served youth directly rather than through the one-stop centers. Moreover, many boards used WIA's flexibility to expand their services and move toward a comprehensive youth development system. These efforts included appointing optional representatives on the youth council such as those from private industry, establishing youth-exclusive one-stop centers, and securing additional non-WIA funding to increase their capacity to serve a broader group of youth, some of whom would not be WIA-eligible.

Youth Councils Were Established, Active, and Important

Nationally, virtually every local workforce investment board established a youth council, and 78 percent had done so by July 1, 2000, when the first WIA program year began. In fact, 72 percent of the boards implemented the youth council requirement in the year preceding July 1, 2000, in anticipation of WIA. Also, by the end of the first program year, nearly all youth councils had held at least one meeting since their inception, with the average number of meetings held being eight. Most youth councils (70 percent) had between 11 and 25 members, and the councils as a whole averaged about 20 members. (See fig. 1.)

Figure 1: Size of Youth Councils



Source: GAO's survey of local workforce investment board directors.

In addition, more than half of the local boards reported that most or all of the youth council members typically attended the youth council meetings, and 36 percent said that about half of the members attended. Finally, 56 percent of all local boards reported that their youth council membership included all four categories of WIA-required members asked about in our

survey.[15] Among the WIA-required members, personnel experienced in youth activities were represented on the greatest proportion—93 percent—of youth councils. In contrast, parents of WIA-eligible youth were represented on the lowest proportion (about 71 percent) of youth councils.

Board officials and service providers in many local areas we visited stated that WIA boards and youth councils were important to coordinating a broad array of youth services in the community and leveraging resources. Board officials in Sonoma County, California, for instance, told us that the youth council brought key stakeholders to the table for the first time, including representatives that had seldom collaborated with each other, such as those from the juvenile justice and school systems. Service providers in San Jose, California, and Cheyenne, Wyoming, stated that the youth council meetings were a good forum for sharing information and learning how providers could complement one another's youth services to eliminate service gaps or duplication. In addition, board officials in Madison, Wisconsin, told us that the large membership size of the local board and youth council offered the potential to leverage additional community resources.

Establishing youth councils, however, was not without its challenges. Nationwide, 65 percent of local boards reported difficulty in getting youth members and 54 percent found it difficult to get parents of eligible youth to participate on the council.[16] One local board official we visited told us that securing youth participation on the council was challenging, in part because youth lacked transportation to youth council meetings, found it intimidating to attend large meetings dominated by adults, or had class and work schedules that conflicted with council meetings. A state board official said that parents of WIA-eligible youth, often low-income

[15]Our analysis of youth council membership excluded two of the six categories of required members: representatives from the Job Corps and representatives from the local board with experience in youth activities. We excluded Job Corps because not all local workforce investment areas have a Job Corps program. We excluded representatives from the local board with interest or expertise in youth policy because such members of the local board are also required members of the youth council.

[16]To compute the percentages, we combined two of the six response categories, "Difficult" and "Very Difficult," in the appropriate questionnaire items, and we eliminated from the analysis any local boards that reported they had "Not Yet Completed [the] Task" of getting youths or parents of eligible youths to participate on the youth council.

themselves, were also difficult to recruit onto councils because they could not attend council meetings without taking unpaid time off from work.

Local Boards and Youth Councils Established a Network of Youth Service Providers

To establish a network of WIA youth service providers, local boards competitively selected youth service providers based on youth council recommendations, but some boards reported that their youth councils found it difficult to obtain multiple responses to the requests for proposals (RFPs.) Nationwide, 80 percent of youth councils issued competitive RFPs in program year 2000, and most of those that issued the RFPs identified between 2 and 12 eligible service providers. About 10 percent of the councils that issued RFPs reported that they identified only one eligible provider. While youth councils received responses to their RFPs, generally there was little competition for service provider contracts in many local areas. We found that 63 percent of the councils recommended to the local board for its approval the same number of service providers as they had identified through the RFP selection process. In addition, 95 percent of local boards that received recommendations from their youth councils selected all of the recommended providers. A local board official in Milwaukee, Wisconsin, told us that, while the board selected the same providers that had served youth under JTPA, the youth council wanted to encourage new providers to apply for WIA service contracts, including private sector providers.

Most local boards reported that contracted service providers generally served youth directly at the providers' facilities rather than at the one-stop centers in their local areas. In most of the one-stop centers we visited, youth were served alongside adults. In general, the centers featured a self-service resource room equipped with personal computers, phones, or other job search aids, as well as office space for one-stop staff and agency partners to offer a variety of employment, training, and social services. Employers conducted job interviews at some one-stop centers, and officials at the rural New Jersey one-stop we visited told us that the state offered employers financial incentives for hiring one-stop clients. A few of the one-stops offered a child playroom or an adaptable computer workstation for disabled users, and in two of the centers, staff members of the various partner agencies were dispersed throughout the office space to promote their interaction and seamless service delivery.

Most local boards at the sites we visited required contracted service providers to make available all 10 required program elements to youth enrolled in WIA programs. For example, one WIA provider in rural Wisconsin delivered all 10 elements in a long-term, year-round program for

out-of-school youth. In the program, 16- to 24-year-olds worked in teams to build or refurbish low-income housing. At the building sites, the participants received paid employment, occupational skills training, leadership opportunities, and mentoring from an adult supervisor. When not at the sites, they received classroom instruction to prepare for their high school equivalency credential, career counseling, and a variety of support services, such as health care, meals, and mental health counseling. Upon exiting the program, selected participants received monthly follow-up services for at least two years.

New Service Strategies Presented Some Implementation Challenges

Even though most youth councils reported that they issued RFPs, one of the challenges local areas—often rural ones—faced was in obtaining multiple responses to their RFPs. For example, state board officials in North Dakota said that the limited number of service providers in the state's sparsely populated and spread-out rural areas necessitated the use of the one-stop center to serve WIA youth and prompted state officials to seek a waiver from DOL to the competitive selection requirement for those local areas. Other state and local WIA officials in both rural and urban areas stated it was difficult to identify qualified service providers due to providers' lack of experience in delivering WIA's broader range of mandatory services and greater emphasis on serving out-of-school youth compared to JTPA. To develop providers' qualifications, the local boards in Middlesex County, New Jersey, and Miami, Florida, conducted regular workshops to educate providers on their new expectations under WIA. In addition, some state and local WIA officials told us that some of the 10 program elements, such as mentoring and the 12-month follow-up, were difficult or costly to deliver and discouraged service providers from responding to the RFPs. To mitigate potential disincentives for service providers, local board officials in Orange Park, Florida, said that they planned to have one-stop staff rather than service providers conduct follow-up, which would also help link youth to the one-stop system, and local board officials in Madison, Wisconsin, told us they planned to

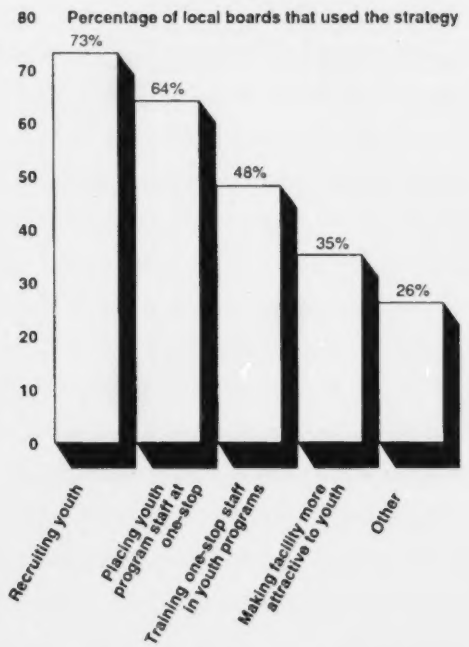
coordinate some WIA follow-up services with those of non-WIA programs, such as Temporary Assistance for Needy Families (TANF).[17]

Even though one-stop centers offered WIA youth services, another challenge faced by most local areas we visited was attracting youth to the one-stop centers, and these areas had developed outreach strategies to bring youth into the centers. Unless referred to or brought into the one-stop centers by schools and other service providers, youth typically did not come into the centers on their own.[18] In some areas, such as rural Wisconsin, public transportation to the one-stop center was not available. One service provider we interviewed was reluctant to send youth to the one-stop because the services were geared primarily toward adult clients or youth might have felt uncomfortable mingling with the adult clientele. Nationally, local boards were engaged in efforts to link youth to one-stops, and nearly three-quarters of boards did so by recruiting youth to the centers. (See fig. 2.)

[17]TANF was created by the Personal Responsibility and Work Opportunity Reconciliation Act enacted in 1996 and replaced Aid to Families With Dependent Children, a program that provided families with cash assistance for an indefinite period. Administered by the Department of Health and Human Services, TANF is a block grant to states designed to promote work over welfare. In general, able-bodied TANF recipients who receive cash assistance must participate in work or work-related activities after receiving assistance for a maximum of 24 months, and there is a 5-year lifetime limit on federal assistance. Work-related activities include education and training, job search, and community service.

[18]Two local boards told us that some older or out-of-school WIA-eligible youth are linked to the one-stop centers through their participation in non-WIA services, such as TANF, which are sometimes also delivered at the one-stop centers.

Figure 2: Strategies to Attract Youth to One-Stop Centers



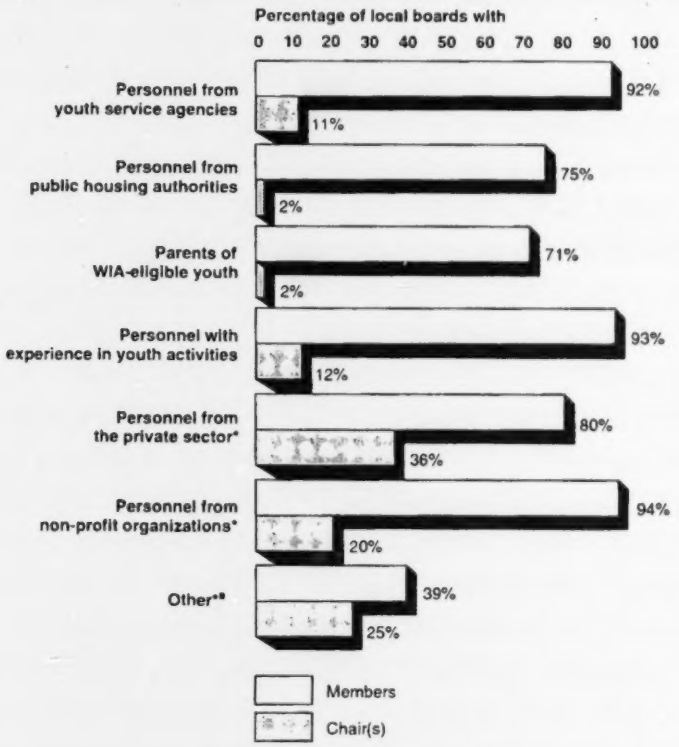
Source: GAO's survey of local workforce investment board directors.

Local areas we visited had also developed various strategies to link youth to one-stop centers. For example, the one-stop center in rural Wisconsin we visited conducted job fairs and was authorized to hand out work permits—a prerequisite for younger youth to obtain employment. The local board in Middlesex County convened focus groups with youth to identify ideal locations for a one-stop center and youth services that should be provided there. The one-stop center we visited in rural Florida was located inside a shopping mall and was considering advertising its services in the mall's movie theater because it was frequented by youth. Recognizing one-stop systems' adult focus, DOL announced in September 2001 that it had awarded competitive grants to 15 local boards and youth councils to develop and implement strategies to improve youth connections to the one-stop system, which DOL plans to disseminate in a technical assistance guidebook after the project's completion sometime this year.

Local Boards and Youth Councils Exercised Flexibility to Promote Youth Development

Most youth councils exercised the flexibility provided by WIA by expanding their membership to include optional representation. For example, 80 percent of youth councils include one or more members from the private sector—the most frequent group (36 percent) to chair the youth council. (See fig. 3.) Other optional members included organized labor and vocational rehabilitation representatives. Local board officials in Cumberland/Salem County, New Jersey, told us that having co-chairs from private industry helped them connect with area employers, leverage additional youth funding, and have greater knowledge of the local labor market. Board officials in several local areas noted, however, that getting business to fully participate on youth councils was still a challenge, in part because business members were reluctant to contribute resources or were accustomed to making policy decisions, not merely serving in an advisory capacity to the local board.

Figure 3: Percentage of Local Boards with a Youth Council Whose Members or Chair(s) Represented Various Categories of WIA-Required and Optional Personnel



*Optional member

**Other categories of youth council membership or youth council chair included representatives from such groups as organized labor, economic development organizations, Native American groups, vocational rehabilitation agencies, and parks and recreation agencies.

Source: GAO survey of local workforce investment board directors.

A few local boards—nearly 5 percent nationally—reported having established one or more one-stop centers that served only youth.[19] In Miami, for example, the youth one-stop centers we visited were either co-located with or were adjacent to the comprehensive one-stop centers. The

[19]We visited youth-only one-stop centers in Florida and Wisconsin. In addition, local boards in Alaska, Arizona, Arkansas, California, Colorado, the Federated States of Micronesia, Idaho, Louisiana, Missouri, New Jersey, New York, Puerto Rico, Tennessee, and Texas reported having one or more youth-only one-stop centers.

one-stop operators told us that this arrangement gave them the flexibility of referring youth that were otherwise ineligible for WIA youth services to the comprehensive center. The youth one-stop centers were also electronically linked with other service providers and one-stop centers in the community. Milwaukee, Wisconsin, opened a new youth one-stop center in February 2002, featuring a lounge area, recreation, childcare, as well as youth-specialist staff cross-trained in all the one-stop partner programs and services in order to promote more seamless service delivery.

Local boards also exercised their flexibility under WIA to expand their capacity to serve both WIA and non-WIA at-risk youth by leveraging additional resources to supplement their WIA formula grant. Nationally, 50 percent of local boards reported having non-WIA funding available in program year 2000 for youth activities. The extent to which non-WIA funding supplemented WIA Title I-B youth funding varied by type of local workforce investment area. Rural areas were less likely than nonrural areas to receive non-WIA funds. For example, in local areas that described their workforce investment area as a portion of a rural area, non-WIA funding represented, on average, an additional $375,000 or 50 percent of the WIA Title I-B grant, compared to an additional $941,000 or 83 percent in nonrural areas.[20] To supplement WIA youth funds, several state and local board officials told us that they were combining WIA with funds from TANF or other programs. For example, Pennsylvania used state TANF dollars to award competitive grants to local boards to serve both WIA and non-WIA youth. While built around WIA's 10 program elements, the grants encouraged local areas to design innovative approaches to serving all youth but also required them to identify ways of sustaining the programs given that the availability of grant funding was uncertain. Furthermore, the youth council in Orange Park, Florida, encouraged the leveraging of non-WIA resources in its RFPs to service providers.

[20]The average dollar amounts and percentages are based on responses to relevant questionnaire items from 65 local boards that described their workforce investment area as "a portion of a rural area" and 121 local boards that described their area as something other than "a portion of a rural area."

Educators Participated on Youth Council and Delivered Services but Remained Tentative Partners

To establish linkages with the education community, most youth councils included local educators and STW representatives as either members or chair of the council, even though these members were not mandated under WIA. Moreover, secondary and postsecondary schools were contracted to provide youth services, typically delivering services at the schools, or partnered with the one-stop centers to deliver youth services. However, some youth councils found it difficult to partner with the education community due to the absence of a shared vision of youth development. In these communities, some school personnel were reluctant to incorporate workforce development activities into classroom learning because they did not want to broaden their role in youth development beyond education. Both youth council officials and educators expressed a need for additional technical assistance to strengthen linkages between the education and workforce communities.

Educators Played an Active Role on Youth Councils

Nationwide, most youth councils established linkages with the education community by including educators on their youth councils, even though they were not mandated youth council members. For example, 94 percent of local workforce investment boards reported that school district personnel served on their youth council, while 79 percent reported that STW representatives were on the youth council.[21] In addition, we found school district representatives chaired 20 percent of the youth councils, and 13 percent were chaired by an STW representative.

A majority of the local workforce investment boards we surveyed reported it was easy to get educators to participate on the youth council.[22] In some of the local areas we visited, educators who were members of their local STW committee easily transitioned to the WIA youth council. In Miami, for example, many members of the STW committee served as members of the youth council even though additional youth council members were appointed to meet WIA's membership requirements. Furthermore, in Sonoma County, the youth council established linkages with the education community by serving as a committee to both the local workforce

[21]Among the other youth council membership categories that respondents cited were community and technical colleges and universities.

[22]Based on calculations in which we combined two of the six response categories, "Very Easy" and "Easy," in the appropriate questionnaire item, and in which we eliminated from the analysis any local boards that reported they had "Not Yet Completed [the] Task" of getting educators to participate on the youth council.

investment board and STW board. In both of these communities, the local boards and youth councils credited their partnership with STW for strengthening their relationship with the schools.

Schools Were Used as Youth Service Providers and Worked with One-Stop Centers

In all the sites we visited, youth councils developed various strategies to link with the education community including contracting with schools as service providers and partnering schools with the one-stop centers to deliver youth services. (See table 3.)

Table 3: Selected Strategies Youth Councils Developed to Link with Education

Local workforce investment board	School were contracted service providers	Schools delivered youth services onsite	Schools partnered with one-stop centers to deliver youth services	Schools incorporated workforce development activities into classroom learning	Schools trained teachers on integrating workplace learning in the classroom
San Jose/Silicon Valley, Calif.	X	X		X	
Sonoma County, Calif.		X	X	X	X
First Coast Workforce Development, Inc., Fla.[a]	X	X	X	X	X
South Florida Workforce Development Board, Fla.[b]	X	X	X	X	X
Cumberland/Salem County, N.J.	X	X	X	X	X
Middlesex County, N.J.	X	X	X	X	X
Private Industry Council of Milwaukee County, Wis.	X	X	X	X	
Workforce Development Board of South Central Wis.[c]	X	X	X	X	
Cheyenne, Wyo..[d]	X	X	X	X	X
Gillette, Wyo..[d]	X	X	X	X	X

Note: An "X" indicates that one or more schools in the local area were employing the selected strategy.

[a]First Coast Workforce Development, Inc., is located in Orange Park and serves six counties: Baker, Clay, Duval, Nassau, Putnam, and St. John.

[b]South Florida Workforce Development Board is located in Miami and serves two counties: Miami-Dade and Monroe.

[c]Workforce Development Board of South Central Wisconsin is located in Madison and serves six counties: Columbia, Dane, Dodge, Jefferson, Marquette, and Sauk.

[d]Wyoming is a single workforce investment area state. One-stop center locations include Cheyenne and Gillette.

Most of the local workforce investment boards we visited awarded service contracts to secondary or postsecondary schools that either provided

youth services directly or in collaboration with other education providers or community-based organizations. For example, an education provider we visited in Cumberland/Salem County, New Jersey, collaborated with local school districts, universities, and private businesses to operate a program designed to help youth explore careers in the food industry. During the summer portion of the program, 30 in-school youth between the ages of 14-16 learned basic job skills in the classroom, took organized field trips to farms and food businesses, and acquired work experience at participating local food businesses and restaurants. During the remainder of the school year, students were placed in paid internships within the food industry and received mentoring services from employers as well as ongoing career counseling from their school. In Milwaukee, the local board contracted with the University of Wisconsin-Milwaukee to provide a 6-week computer technology program for in-school youth between the ages of 15-19. On Saturday mornings, participants attended classes in word processing, slide presentation, and web page development at the college campus. Upon completion of the computer courses, participants were then enrolled in a six-week program in life skills and learned how to balance school with work, prepare for the workforce, and manage interpersonal working relationships on the job.

Most of the one-stop centers we visited established linkages with the education community by partnering with schools to provide services to youth. For example, some local high schools brought students into the one-stop centers to learn about available services or to participate in career fairs. To link schools with one-stop centers, staff from the Milwaukee youth-only one-stop traveled to high schools to conduct computerized assessments and help them develop career plans for WIA participants.

Some Educators Remained Tentative Partners

Some educators remained cautious about increasing their involvement in providing WIA youth services. First, some educators believed that WIA's vision for providing comprehensive youth development services to at-risk youth was inconsistent with the traditional mission that schools generally embraced, which was to provide academic services to all youth. In Milwaukee, for example, some schools were reluctant to allow WIA youth services to be provided at the schools because of the perceived stigma associated with WIA services being targeted to low-income, at-risk youth. In California and Florida, some educators said schools in their areas emphasized increasing student academic achievement and standardized test scores, rather than promoting students' exposure to career exploration. Consequently, some educators were reluctant to incorporate

workforce development activities into classroom learning, particularly where student academic achievement was tied to sanction and incentive policies.

Second, some education providers we visited stated that the costs of providing WIA youth services outweighed the benefits of education's participation. For example, a school official in rural Wisconsin told us that meeting WIA's requirement to conduct a minimum 12-month follow-up and reporting on participant outcomes was resource intensive for the school and demanded administrative time that could be better spent on direct service delivery. Furthermore, workforce investment officials in Delaware and Illinois stated that colleges were required to report performance data on all enrolled students, in addition to WIA students. According to these officials, this reporting requirement increased the colleges' paperwork burden and costs relative to the amount of WIA funding they received, creating a financial disincentive for colleges to provide WIA services.

Many local board, youth council, and education officials we interviewed said having more formal technical assistance on how to create successful partnerships with one another would improve the linkages that WIA has helped to create between the workforce and education communities. For example, youth council members in Middlesex County expressed a need for strategies to help the council effectively communicate to the education community that schools could play an important role preparing youth for the workforce. In addition, some workforce and education officials we visited expressed a need for examples of promising practices used by others to strengthen the links between the one-stop centers and schools.

State and Local Factors Facilitated Implementation, but Some New Requirements Inhibited Service Delivery

Two factors facilitated implementation of WIA's youth provisions, while some WIA requirements impeded implementation or service delivery. Experience in collaboration among youth-serving agencies and a high priority placed on youth development activities by state officials facilitated implementation. Workforce officials told us that these factors enabled them to work more cooperatively and with a wider range of community providers in coordinating and delivering youth services. However, workforce officials also stated that implementation progress and service delivery were inhibited by requirements to document eligibility and to spend 30 percent of WIA youth funds on out-of-school youth services and by unclear youth performance indicators.

Implementation Facilitated by Historical Collaboration and Priority on Youth

Two factors enabled state and local workforce officials to work collaboratively with representatives and improve coordination and delivery of youth services—experience in collaboration and priority placed on youth development. Many state workforce officials we interviewed were already experienced in collaborating with state and local agencies, local boards, and youth-serving organizations. In New Jersey, for example, state officials told us that WIA's requirements to establish partnerships did not represent a significant shift because many state and local youth-serving agencies were already working together to share information and provide services. Officials in most of the local areas we visited characterized the collaboration among the service providers, local board and youth council, and youth-serving agencies as strong due primarily to their longstanding relationships. Likewise, some organizational structures facilitated WIA implementation by encouraging collaboration. A number of state officials we interviewed told us they consolidated some state workforce, education, or human service functions prior to WIA's implementation in order to streamline and improve coordination and delivery of youth services. For example, Michigan began consolidating its state workforce development programs in the early 1990s. A single department now administers WIA as well as a variety of other workforce and education programs such as TANF, Welfare-to-Work, Wagner-Peyser employment services, vocational rehabilitation, secondary and postsecondary career and technical education, and adult education. According to state WIA officials, this consolidated structure helped them to sidestep potential turf struggles and maximize service resources available to help many populations, including youth, by coordinating diverse programs.

Second, we found the high priority placed on youth development activities also facilitated implementation. For instance, 15 states had established state-level youth councils, in part, to assist local boards in implementing the youth provisions.[23] In Colorado and Illinois, state youth council members mentored local youth council members, provided technical assistance, and helped local youth councils leverage resources. In addition, we found that 34 states had allocated a portion of the Governor's

[23]The Office of Youth Services in the Department of Labor's Employment and Training Administration told us that the following states had established state-level youth councils in addition to local youth councils as of February 2002: California, Colorado, Florida, Hawaii, Illinois, Indiana, Maryland, Minnesota, Nebraska, Nevada, Ohio, Oregon, Pennsylvania, South Carolina, and Tennessee. This list does not include single workforce investment area states, each of which has a single youth council.

15 percent set-aside to WIA youth activities in program year 2000.[24] In California, for example, the state used part of its 15 percent set-aside on a youth development and crime prevention initiative that offers alcohol and drug treatment, mental health counseling, job training and employment opportunities, and mentoring to at-risk youth. Oregon state board officials told us they spent some of their youth set-aside to help service providers deliver mentoring, summer employment, and follow-up youth services.

Some WIA Provisions Difficult to Implement and Impeded Service Delivery

While WIA encouraged state and local areas to implement new approaches, it also included some requirements that made implementation difficult and impeded service delivery. State and local board officials were concerned with collecting documentation needed to verify eligibility for WIA youth services, spending at least 30 percent of WIA youth funds on out-of-school youth, understanding and measuring youth performance indicators, and meeting partnering requirements. The challenge of meeting these requirements often hindered implementation, excluded potentially eligible youth from participating in WIA services, and diverted resources away from direct service delivery, according to local officials.

Documenting Income Eligibility

A majority of state and local officials we interviewed or visited told us that documenting low-income eligibility was difficult to accomplish and resource-intensive. The law specifies that youth must be low-income and face one or more barriers to employment to be eligible for WIA youth services. (For more information on the barriers, see app. I.) State and local officials told us that many at-risk youth were unable or unwilling to provide pertinent documentation of their income eligibility, such as their parents' paycheck stub or tax return. In Orange Park, local board officials stated that obtaining documentation from at-risk youth was difficult, particularly for youth being raised by a single parent or grandparents or homeless youth. Service providers in Middlesex County, New Jersey, said that at-risk youth did not necessarily have a good relationship with their parents, compounding the difficulty of obtaining documentation. They added that getting documentation was also difficult in cases in which parents mistrusted service providers whom they perceived as prying into their financial affairs. Consequently, the most at-risk youth were the least

[24]Information obtained from GAO survey conducted for prior report. See U.S. General Accounting Office, *Workforce Investment Act: Better Guidance and Revised Funding Formula Would Enhance Dislocated Worker Program*, GAO-02-274, (Washington, D.C.: Feb. 11, 2002).

likely to be able to provide documentation to verify their eligibility for needed services, according to local board officials.

In addition, local board officials said obtaining necessary documentation was time consuming and diverted financial and staff resources away from direct service delivery. One local board in Florida terminated a youth program because of the high administrative costs of documenting eligibility. Officials at this local board estimated that, with the change in eligibility requirements from JTPA, the number of documents increased from 1 to 21 and the processing time increased from less than 2 hours to between 10 and 20 hours per participant. These additional hours could have been better spent in delivering services rather than processing paperwork, according to the officials. Some state and local board officials told us that they preferred using the free-and-reduced-school-lunch program's income criterion under JTPA because it was more efficient and cost effective to use existing documentation, usually a single list compiled by the schools.

Some states, however, had developed strategies for addressing the concern over documentation. California, Pennsylvania, and Texas, for example, developed technical assistance guides listing procedures for documenting and verifying participant eligibility. To document that a youth met the deficient-in-basic-literary-skills eligibility requirement, for instance, the Texas guide identified acceptable forms of documentation, which included results of a generally accepted standardized test, school records, and verification by telephone. DOL is in the process of finalizing guidance concerning eligibility documentation and projects that policy guidance will be issued later this year.

Meeting Spending Requirement for Out-of-School Youth

WIA requires 30 percent of local WIA youth funds be spent on out-of-school youth, but many local officials said that recruiting and retaining sufficient numbers of these youth was challenging for a variety of reasons and hindered implementation efforts. For example, in Madison, Wisconsin, and Cumberland/Salem County, New Jersey, officials said it was more difficult to locate and follow-up on this "hidden population" in contrast to in-school youth, who could be tracked through the education system. Additionally, DOL officials told us that many out-of-school youth get employment, which may make them ineligible for WIA programs because their income is too high. Finally, WIA officials in one local area told us that it was difficult to retain out-of-school youth in WIA programs because they were typically more motivated to get a job than to acquire the academic skills needed to prepare them for further education or careers.

Some local areas had developed innovative ways of recruiting and retaining out-of-school youth. In Miami and Milwaukee, for example, the local boards established youth-only one-stop centers so that out-of-school youth could come into a youth-friendly facility. In addition, local officials in Miami told us that youth caseworkers went to malls and other areas frequented by out-of-school youth to recruit program participants. Service providers in Cheyenne described a youth-friendly facility, which served youth who were already in or were transitioning from foster care or who had been in an out-of-home placement. The facility also provided a job preparation program for WIA participants. Milwaukee board officials told us they planned to staff their new youth-only one-stop center with out-of-school youth specialists. Finally, a service provider in rural Wisconsin collaborated with the juvenile justice and school systems to help recruit out-of-school youth. DOL plans to issue guidance on recruiting and retaining out-of-school youth in April 2002.

Measuring Performance Indicators and Setting Performance Goals

Another challenging WIA requirement identified by state and local officials was measuring youth performance indicators and setting performance goals. State and local WIA officials reported difficulties in measuring some of the performance indicators because of ambiguous definitions and problems with data availability.[25] For example, Illinois state board officials said that unclear definitions of the credential and skill attainment indicators could lead to inconsistent reporting of outcomes among states. While DOL officials told us they developed the definition of some youth indicators in collaboration with the Department of Education, they added that some measures were defined very broadly to give states flexibility in implementing performance accountability systems. For example, DOL allows state and local areas to determine what constitutes a credential and to develop—with employer input—a statewide list of approved credentials. DOL officials acknowledged that some states defined credentialing and skill attainment more broadly than others. Additionally, several WIA officials said that, because some of the measures are based on Unemployment Insurance wage records, there was typically a 6-9 month lag before the data were available, making it difficult for boards to use the indicators to plan strategically or evaluate service provider performance. According to state and local officials, ambiguous definitions and lags in data availability complicated the measurement and reporting of some WIA

[25] For information on performance indicators for WIA adult, dislocated workers, and older youth, see U.S. General Accounting Office, *Workforce Investment Act: Improvements Needed in Performance Measures to Provide a More Accurate Picture of WIA's Effectiveness*, GAO-02-275, (Washington, D.C.: Feb. 1, 2002).

youth performance indicators and resulted in inconsistencies in reporting and comparing outcomes within and across states.

Furthermore, state and local officials reported that the youth performance goals were set at unrealistic levels—usually too high—because they were established without input from state and local officials and were derived from unreliable baseline data. Officials in several state and local areas we visited or contacted said they had little or no input into their performance goals during the negotiation process. DOL officials acknowledged that input was limited because some youth measures were new under WIA or new to DOL, and the agency lacked adequate time to negotiate goals from the local level up to the state level as it had intended. In addition, performance goals reflected baseline data from JTPA and the experience of a limited number of early implementation states. Also, some state officials we interviewed reported that the performance goals did not take into account states' individual circumstances. DOL issued guidance in February 2002 on renegotiating performance levels. In the guidance, DOL noted that limitations in JTPA baseline data used to project performance levels for program years 2001 and 2002 satisfied one of the conditions for requesting revisions to earlier negotiated performance levels.[25]

Meeting the Partnering Requirements

WIA requires state and local workforce boards and youth councils to collaborate with a host of other partners such as public youth-service agencies, labor organizations, and community-based organizations. The law envisions these entities becoming board and council members, one-stop partners and operators, and service providers. While we found that many of these agencies did indeed participate on youth councils and deliver WIA services, state and local WIA officials said that collaborating among the different agencies was difficult and frustrating, and they lacked strategies to effectively partner with these agencies. For example, officials from one local board we visited told us that they were having difficulty finding other agencies to partner with in their efforts to implement WIA. These officials said that, while some agencies were active partners on the youth council, in the one-stop center, or as service providers, they believed the legislation did not make it easy to collaborate because it did not require other agencies to contribute resources nor did it provide local areas with the tools to enforce collaboration. Officials from another local board said that different administrative rules, definitions, and

[25]Department of Labor, *Training and Employment Guidance Letter No. 11-01*, Washington, D.C., 2002.

reauthorization timeframes among programs administered by the different federal agencies undermined the collaboration with which local workforce investment boards are charged. Yet we found some state and local initiatives that attempted to address these concerns and facilitate greater collaboration. A state WIA official in New York, for example, told us that the state workforce board was finalizing its plan to blend the performance measures for WIA and several non-WIA programs to promote collaboration and consistency.

Conclusions

WIA aims to significantly reconfigure the way services for at-risk youth are structured and delivered. With its mandated requirements to form youth councils reflecting broad community representation, WIA presents a unique opportunity to make fundamental changes in the way youth services are provided—but implementation challenges remain. Establishing new governance structures, building and sustaining diverse new partnerships, designing comprehensive, coordinated programs, and delivering services seamlessly will take considerable effort from state and local workforce boards and their youth councils. State and local areas must meet implementation challenges such as getting youth, parents, and businesses to participate on youth councils, promoting competition in the service provider selection process, and serving new and difficult populations. The new performance measurement system under WIA also poses challenges for states and local areas that are concerned that ambiguous definitions of skill attainment, for example, and use of unreliable baseline data to set performance goals would result in inconsistencies in reporting and comparing outcomes. Although states and local boards welcome the enhanced flexibility WIA affords them, many are only now acclimating to their new roles and relationships in the workforce development system. However, the lack of information and technical support on a number of these new responsibilities has hindered state and local boards in fully realizing WIA's potential. If progress is to continue, state and local workforce investment boards and their youth councils will need additional help in building a comprehensive youth development system.

State and local workforce board officials, youth council members, and youth service providers have—for the most part—embraced both WIA's broad workforce development vision and the specifics of the youth provisions. Given the scope of youth program reforms legislated in WIA and the extent of implementation to date, significant progress has been made. Federal agencies, however, need to continue to monitor progress and assess state and local needs for additional support and guidance to

further facilitate implementation. The building of a comprehensive youth development system as envisioned by WIA requires active and sustained leadership—especially at the national level—and strong working relationships between the workforce development and education systems at all levels of government. While forging strong linkages between these two systems is critical in preparing youth not only for success in the classroom but also for their future careers, some local educators remain hesitant to participate in WIA youth programs. Workforce and education officials acknowledge the need for more assistance to help strengthen the partnership between these two systems.

Recommendations for Executive Action

To improve the availability of information on WIA youth programmatic, administrative, and other implementation issues and to enhance implementation of state and local workforce investment systems, we recommend that the Secretary of Labor issue guidance and provide assistance to state and local boards and youth councils by developing and disseminating strategies

- to effectively recruit and engage parents, youth, and business community representatives on the youth council;
- to increase the number of responses to competitive requests for proposals by encouraging youth-serving organizations new to WIA to participate in the youth program and promoting new ways of collaboration among new and existing service providers;
- to obtain and verify applicant eligibility information by sharing client information among agencies or using existing electronic databases (for example, DOL should consider exploring methods to extend eligibility automatically for WIA based on an applicant's participation in other programs);[27]
- to recruit and retain out-of-school youth to the WIA youth program and all youth into the one-stops; and
- to facilitate linkages between the board and youth council and their required youth-serving partners.

[27]For information on how federal, state, and local agencies have sought to simplify or coordinate eligibility determination processes, see U.S. General Accounting Office, *Means-Tested Programs: Determining Financial Eligibility Is Cumbersome and Can Be Simplified*, GAO-02-58, (Washington, D.C.: Nov. 2, 2001).

Through collaboration with the Department of Education, state education agencies, and other experts, we recommend the Secretary of Labor develop and disseminate strategies

- to effectively link workforce and education activities, such as exploring workplace learning principles in the classroom and connecting schools to the one-stop centers.

To more objectively assess state and local area performance and youth progress, we recommend that the Secretary of Labor

- clarify the definition of skill attainment for younger youth to ensure consistency in reporting.[28]

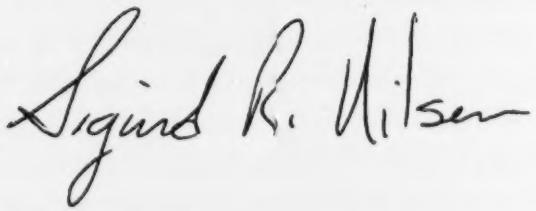
Agency Comments and Our Evaluation

We provided a draft of this report to DOL for its review and comment. DOL's comments are in appendix II. In its written comments, DOL agreed with all our findings and recommendations, noting that they are consistent with information it has collected from state and local implementers. DOL also found the report to be instructive in assessing local implementation efforts nationwide and highlighting best practices to improve youth services. In its comments, DOL cited its efforts to work closely with state and local partners to provide guidance and best practices on the issues identified in our recommendations, including issuing a tool kit on effective youth councils, reaching out to community-based and faith-based organizations for competitive selection of providers, simplifying eligibility documentation procedures, developing a best practices website on serving out-of-school youth, integrating school-to-work lessons learned, and clarifying the definition of skill attainment.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 5 days after the date of this report. At that time, we will send copies to the Secretary of Labor, relevant congressional committees, and others who are interested. Copies will be made available to others upon request. The report is also available on GAO's home page at http://www.gao.gov.

[28]For recommendations concerning performance measures for older youth, see U.S. General Accounting Office, *Workforce Investment Act: Improvements Needed in Performance Measures to Provide a More Accurate Picture of WIA's Effectiveness*, GAO-02-275, (Washington, D.C.: Feb. 1, 2002).

Please contact me on (202) 512-7215 if you or your staff have any questions about this report. Other major contributors to this report are listed in appendix III.



Sigurd R. Nilsen
Director, Education, Workforce,
and Income Security Issues

Appendix I: Comparison of Key Youth Provisions under WIA and JTPA

Youth provision	WIA	JTPA
Funding	• Single funding stream that integrates summer and year-round programs • 15 percent set aside for statewide activities, 85 percent allocated to local areas	• Summer Youth Employment and Training (Title II-B), 100 percent allocated to local areas • Youth Training Program (Title II-C) for year-round services, 18 percent set aside for statewide activities, 82 percent allocated to local areas
Target population	• In-school youth • Out-of-school youth	• In-school youth • Out-of-school youth
Eligibility	• Age 14-21, youth that are 18-21 years old may be considered adults and may be concurrently enrolled in WIA adult and dislocated worker programs • Low-income and faces one or more barriers: (1) deficient in basic skills, (2) school dropout, (3) homeless, runaway, or foster child, (4) pregnant or parent, (5) offender, (6) requires additional assistance to complete an education program or to secure and hold employment • At least 30 percent of youth funding must be spent on out-of-school youth • Five percent of youth may be non-low income but must face one or more barriers	• Age 16-21, in certain cases, age 14 and 15 • Economically disadvantaged or eligible for free school lunch during most recent school year • For year-round program, at least 65 percent of participants must be youth who face barriers similar to those under WIA; no such requirement for summer program • For year-round program, at least 50 percent of participants must be out-of-school youth; no such requirement for summer program • Ten percent of youth may be non-low income but must face one or more barriers similar to those under WIA
One-stop service delivery	• Each entity carrying out WIA youth programs and activities is a required one-stop partner and must make available their services through the one-stop system	• Not applicable
Youth services	• Required: assessment, individual service strategy, preparation for postsecondary education or employment, strong linkages between academic and occupational learning, preparation for unsubsidized employment, connections to intermediaries with links to local labor market, information, and referral • All 10 program elements must be made available to youth: (1) tutoring, study skills training, instruction leading to completion of secondary school, including dropout -prevention strategies (2) alternative secondary school services, (3) summer employment linked to academic and occupational learning, (4) paid and unpaid work experience including internships and job shadowing, (5) occupational skills training, (6) leadership development which may include community service and peer-centered activities encouraging responsibility, (7) supportive services, (8) adult mentoring during program participation and at least 12 months subsequently, 9) at least a 12-month follow-up	*Year-round services* • Required: assessment, individual service strategy, training in basic, occupational, and work maturity skills, work experience, and supportive services, information, and referral • Optional program elements include: (1) tutoring, (2) alternative high school, (3) instruction leading to high school completion or equivalent, (4) mentoring, (5) limited internships, (6) training or education combined with community and youth service, (7) entry employment experience, (8) school-to-work services, (9) school-to-postsecondary education services, (10) school-to-apprenticeship services, (11) counseling and referral, (12) services encouraging parental and other significant adult involvement, and (13) cash incentives and bonuses based on program attendance and performance *Summer services* • Required services include: assessment, individual service strategy, basic and remedial education,

Youth provision	WIA	JTPA
	upon program completion, and 10) guidance and counseling including drug and alcohol abuse counseling and referral	work experience, occupational training, job referral and placement, supportive services, follow-up services as appropriate
Youth service providers	• Required to be competitively selected by local board based on youth council recommendation	• May be competitively selected
Governance	• State workforce investment boards • Local workforce investment boards cannot be direct service providers unless waived • Youth councils as subgroup of local board	• State job training coordinating council or human resources investment council • Local private industry councils
Performance indicators	• Older youth (ages 19-21) indicators include entry, retention, and earnings in unsubsidized employment and recognized credential attainment. • Younger youth (ages 14-18) indicators include basic skills attainment, attainment of secondary school diplomas and their recognized equivalents, placement and retention in postsecondary education, advanced training, or employment • Customer satisfaction indicators	• Year-round program indicators include attainment of employment competencies, dropout prevention and recovery, secondary and postsecondary school completion or equivalent, and enrollment in other education and training programs • None established for summer program

Source: Workforce Investment Act and its implementing regulations and Job Training Partnership Act.

Appendix II: Comments from the Department of Labor

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210

MAR 22 2002

Mr. Sigurd R. Nilsen
Director, Education, Workforce,
And Income Security Issues
United States General Accounting Office
Washington, DC 20548

Dear Mr. Nilsen:

On behalf of the Secretary of Labor, thank you for the opportunity to review the draft of your proposed report "Workforce Investment Act: Youth Provisions Promote New Service Strategies but Additional Guidance Would Enhance Program Development" (GAO-02-413).

We appreciate the work of the General Accounting Office (GAO) on this report and the acknowledgement of the progress made to date by the state and local workforce investment system in meeting the challenges of creating a comprehensive youth development system, as defined in the Workforce Investment Act (WIA). We find the report to be instructive for two main reasons: (1) it provides an assessment of efforts undertaken by the local workforce boards nationwide; and (2) it highlights best practices and identifies common issues faced by Workforce Investment Boards and Youth Councils in improving services to youth.

We agree with the report's six Recommendations for Executive Action. The findings and recommendations cited in the report substantiate the issues and concerns that we also have identified from working closely with state and local stakeholders. This letter elaborates on the steps that we are taking to address the issues identified in the report. Our response to each specific recommendation is articulated below. The report also cites three areas in which legislative requirements have impeded implementation progress or adversely affected service delivery. These issue areas are: (1) eligibility documentation and the concern that eligible at-risk youth may be excluded from receiving WIA services; (2) recruiting and retaining sufficient numbers of out-of-school youth; and (3) ambiguous definitions and lags in data availability which may complicate the measurement and reporting of some WIA youth performance indicators. We are also currently addressing these issues and have incorporated our current or planned activities in our responses below. We have already begun a process to obtain broad input on issues and recommendations for changes to WIA.

A Proud Member of America's Workforce Network

Recommendation #1

Effectively recruit and engage parents, youth and business representatives on the youth council.

DOL's Response:

We agree that additional assistance should be provided on best practices for engaging parents, youth, and business on youth councils. We have developed and will soon release a youth council toolkit. This resource guide, developed in conjunction with our state and local partners, contains several modules of activities for developing effective youth councils. One module addresses the advantages of broadening the membership of the council to include employers and educators while another module addresses strategies for recruiting and engaging parents and youth. We are also supporting an initiative in 2002/2003 to showcase effective program practices through organized study tours to selected local areas. This project provides an opportunity for state and local officials to study effective Youth Councils and promising programs, such as quality Job Corps programs and high performing Youth Opportunity Grants. We will also utilize our Promising & Effective Practices Network (PEPNet) to identify these and other promising programs. This project will address best practices for engaging parents, youth, and business.

Recommendation #2

Increase the number of responses to competitive requests for proposals.

DOL's Response:

This has proven to be a particularly difficult issue during the early years of WIA implementation. We have issued guidance to the Governors indicating that they may increase state and local flexibility in implementing WIA programs by requesting waivers of WIA requirements. We also issued Training and Guidance Letter (TEGL) Number 12-01 on February 21, 2002, addressing selected issues identified by the Youth Service WIA Readiness Reviews. This guidance includes additional clarification on the requirements for competitive selection of youth service providers. In addition, a program emphasis TEGL that we plan to issue in April includes a section on outreach to community-based and faith-based organizations. We believe that more effective outreach by local areas will increase the number of qualified applicants. Currently, we are considering several requests for waivers of the youth competitive selection requirements. We will also consider developing further policy clarification and developing technical assistance strategies for increasing the number of responses to competitive requests for proposals.

Recommendation #3

Obtain and verify applicant eligibility information by sharing client information among agencies or using existing electronic databases.

DOL's Response:

We addressed selected issues identified by the Youth Service WIA Readiness Reviews in the above referenced TEGL. This TEGL includes clarification on documentation and verification of youth eligibility under WIA. We encourage states to develop their own policies and guidelines regarding eligibility. The TEGL suggests that one option to streamline registration is to allow for self-certification to verify those eligibility items that in some cases are not verifiable or may cause undue hardship for individuals to obtain. The TEGL notes that when self-certification is allowed, it is also important to incorporate a random sampling methodology to determine the accuracy of the self-certification method for determining WIA eligibility. We are currently exploring a sampling methodology that could be applied across the WIA adult, dislocated worker, and youth programs. Upon completion, this sampling method would not be required but could provide an effective approach for reducing the burden of requiring 100 percent eligibility documentation for every individual registered for WIA services, while still ensuring a high level of confidence that youth served with WIA funds are indeed eligible for the program.

The Youth and Adult program offices, with input from the Office of Inspector General, are also collaborating in developing guidance and technical assistance to simplify eligibility documentation procedures. One of the policy areas under consideration with particular relevance to recommendation #3 is presumptive eligibility, whereby eligibility in another program with similar low-income requirements will be extended to WIA programs. We project that policy guidance will be issued later this year.

Recommendation #4

Recruit and retain out-of-school youth to the WIA youth program and all youth into the one-stops and facilitate linkages between the board and youth council and their required youth serving partners.

DOL's Response:

We believe that recruiting and retaining out-of-school youth (OSY) must continue as a priority for states and local areas, and we will reiterate this in a program emphasis guidance notice to be issued in April. This issuance includes strategies for enhancing recruitment and retention of OSY. For example, the Youth Opportunity Grants (YOG) have developed some promising practices for recruiting, serving, and retaining OSY. The program guidance advisory notice reviews approaches that YOG sites are taking to offer youth a package of education, employment, and recreation activities that are more appealing than stand-alone GED classes or job training.

As the GAO report notes, we awarded competitive grants to 15 local boards and youth councils to develop and implement strategies to improve youth connections to the one-stop system. Interim reports from these one-stop Planning Grantees describe strategies being implemented to connect youth, including OSY, to the One-Stop system. Strategies that focus on OSY include: developing Youth One-Stop Career Centers specifically designed to engage OSY youth; marketing and outreach; using technology to enhance connection with schools and satellites; operations and staffing to support youth; enhanced facilities and self-help services; and conducting OSY youth-only forums and focus groups. In February 2002, we retained Westat to develop a technical assistance guide (TAG) that emphasizes the successful OSP-related youth services implementation strategies of nine One-Stop Centers. A second part of the TAG will provide an overview of successful planning activities identified from the 15 grants to local boards and youth councils.

We also provided funds to the Youth Development and Research Fund (YDRF) for a project entitled Youth Cultural Competence (YCC) – an innovative approach to improving recruitment, retention, and active engagement of youth in employment and training programs. YDRF has produced a manual that outlines the YCC criteria for use by WIA youth programs and highlights 15 programs that have incorporated the YCC approach in effectively serving youth in their communities.

A promising practices website is being developed under a contract with the State of Illinois. The planned Internet website will be a vehicle for providing technical assistance on promising practices for serving OSY.

Recommendation #5

Develop and disseminate strategies to effectively link workforce and education activities.

DOL Response:

We support the report's recommendation that we collaborate with the Department of Education, state education agencies, and other experts to develop and disseminate strategies for linking workforce and education activities. We reinforced the importance of this collaboration in a Memorandum of Understanding between the Departments of Education and Labor signed on June 21, 2001. This initiative focuses on: (1) improving current workforce basic skills (i.e., reading and math) of adult workers; (2) increasing Job Corps students' attainment of high school diplomas; and (3) providing technical assistance to state and local education agencies, Workforce Investment Boards, One-Stop Career Centers, Adult Education and Literacy grantees, and other appropriate entities.

We are currently assessing other technical assistance options and opportunities for guidance that will be effective and appropriate vehicles to carry out the report's recommendation. A January 4, 2002 joint Education and Labor letter sent to School-to-Work Opportunities Act

grantees noted that steps have been taken to integrate the lessons learned from this seven-year effort into the respective Departments. We are now embarking on new initiatives to support the Administration's strategic plans for education and workforce development focused on ensuring academic excellence for the nation's students and promoting the quality and competitiveness of our 21st century workforce. We look forward to sharing additional information on these initiatives as they are developed.

Recommendation #6

Clarify the definition of skill attainment for younger youth to ensure consistency in reporting.

DOL's Response:

We agree that there is a need to issue further guidance on the skill attainment rate to enhance comparability across states and localities. This will be done within the context of maintaining the flexibility that is the spirit of WIA and recognizing that inherent in the skill attainment measure is setting individual skill attainment goals based on individual needs. This guidance will be incorporated into the guidance that we will issue in response to the GAO report "Improvements Needed in WIA Performance Measures."

Thank you for the opportunity to participate in this important report on how to better serve America's youth.

Sincerely,

Emily Stover DeRocco

Appendix III:GAO Contacts and Staff Acknowledgments

GAO Contacts

David Bellis, Assistant Director (415) 904-2272
Meeta Sharma, Analyst-in-Charge (206) 287-4806

Staff Acknowledgments

In addition to the individuals mentioned above, Karyn Angulo, Bill Bates, Jessica Botsford, Patrick DiBattista, Julian Fogle, Joel Grossman, Jeff Rueckhaus, Rebecca Woiwode, James Wright, and Michelle Zapata made key contributions to this report.

Related GAO Products

Workforce Investment Act: Coordination between TANF Programs and One-Stop Centers Is Increasing, but Challenges Remain. GAO-02-500T. Washington, D.C.: March 12, 2002.

Workforce Investment Act: Better Guidance and Revised Funding Formula Would Enhance Dislocated Worker Program. GAO-02-274. Washington, D.C.: February 11, 2002.

Workforce Investment Act: Improvements Needed in Performance Measures to Provide a More Accurate Picture of WIA's Effectiveness. GAO-02-275. Washington, D.C.: February 1, 2002.

Means-Tested Programs: Determining Financial Eligibility Is Cumbersome and Can Be Simplified. GAO-02-58. Washington, D.C.: November 2, 2001.

Workforce Investment Act: New Requirements Create Need for More Guidance. GAO-02-94T. Washington, D.C.: October 4, 2001.

Workforce Investment Act: Better Guidance Needed to Address Concerns Over New Requirements. GAO-02-72. Washington, D.C.: October 4, 2001.

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